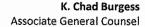
STATE OF SOUTH CAROLINA South Carolina Electric & Gas Company – Notice of Construction Project) ompany – Notice of))))))))))))	BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COVER SHEET DOCKET NUMBER: 2006 - 244 - G			
(Please type or print)					
Submitted by: K. Chad Burgess		SC Bar Number: 69456				
Address:			Гelepl -	hone:	803-217-8141	
			Fax: 803-217-7810			
	Cayce, SC 29033		Other: Email: chad.burgess@scana.com			
be filled out comple	etely.	OCKETING INFOR	MA'	TION (CI	neck all that apply	
INDUSTRY (Check one)		NATURE OF ACTION (Check all that apply)				
Electric		Affidavit	\boxtimes	∑ Letter		Request
☐ Electric/Gas		Agreement		Memorandum		Request for Certification
☐ Electric/Telecommunications		Answer		☐ Motion		Request for Investigation
Electric/Water		Appellate Review		Objection		Resale Agreement
Electric/Water/Telecom.		Application] Petition		Resale Amendment
☐ Electric/Water/Sewer		Brief		Petition for Reconsideration		Reservation Letter
⊠ Gas		Certificate		Petition for	Rulemaking	Response
Railroad		Comments		Petition for R	ule to Show Cause	Response to Discovery
Sewer		Complaint		Petition to I	ntervene	Return to Petition
☐ Telecommunications		Consent Order		Petition to In	tervene Out of Time	Stipulation
Transportation		Discovery		Prefiled Tes	timony	Subpoena
☐ Water		Exhibit		Promotion		☐ Tariff
Water/Sewer		Expedited Consideration		Proposed O	rder	Other:
Administrative Matter		Interconnection Agreement		Protest		
Other:		Interconnection Amendment		Publisher's A	Affidavit	
		Late-Filed Exhibit		Report		

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chad.burgess@scana.com

January 14, 2011

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive (29210) Post Office Drawer 11649 Columbia, South Carolina 29211

RE: South Carolina Electric & Gas Company

Notice of New Natural Gas Construction Project

Docket No. 2006-244-G

Dear Ms. Boyd:

South Carolina Electric & Gas Company ("SCE&G" or "Company") is required to notify the Public Service Commission ("Commission") and the South Carolina Office of Regulatory Staff ("ORS") of natural gas construction projects with costs of \$500,000 or more. See 26 S.C. Code Ann. Reg. 103-412.2.7(A). In compliance with the regulation, this letter serves as notification to the Commission that SCE&G will be constructing a new dedicated natural gas control room for its natural gas service operations. The new control room will be located within the Company's existing training center.

On December 3, 2009, the Pipeline and Hazardous Materials Safety Administration ("PHMSA") published a final rule for control room management. See 49 C.F.R § 192.631 (2010). The new rule addresses human factors and other aspects of control room management for gas utilities where controllers use supervisory control and data acquisition systems. The new rule, which became effective February 1, 2010, requires the development of control room management procedures by August 1, 2011, and implementation of those procedures by February 1, 2013. On September 17, 2010, PHMSA issued a notice of proposed rulemaking seeking to expedite the program implementation deadline to August 1, 2011, for most requirements. See Pipeline Safety: Control Room Management/Human Factors, 75 Fed. Reg. 56972 (2010) (to be codified at 49 C.F.R. pts. 192 and 195) (proposed Sept. 17, 2010). It is unknown whether the proposed rule to expedite the program implementation deadline will be adopted, but, out of an abundance of caution, SCE&G is working diligently to ensure that its control room management procedures are ready for implementation on August 1, 2011, if required.

(Continued . . .)

The Honorable Jocelyn G. Boyd January 14, 2011 Page 2

In order for SCE&G to fully meet the requirements of the new rule in a timely manner, the Company must construct a new control room for its natural gas operations. Construction of SCE&G's new control room is scheduled to begin later this month and the Company anticipates completing construction by May 2011. The Company anticipates that the total cost of this construction project will exceed \$500,000.

By copy of this letter, we are also notifying the South Carolina Office of Regulatory Staff of the Company's construction project.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms

cc: John W. Flitter

Carey Stites

Jeffrey M. Nelson, Esquire

(both via electronic and U.S. First-Class Mail)